Who is Cerner?

◇ **Headquartered in Kansas City**

◇ **In business for over 30 years**

◇ **Solely dedicated to healthcare IT**

  ■ **Largest stand-alone HCIT vendor**

  ■ **Used by nearly 3,300 practices everyday**

◇ **900+ Physicians, Clinicians, Practice Managers on staff**

Innovation you can trust™

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Cerner: Stability, Commitment to Maryland

- **One Focus since 1979: Healthcare Information Technology**
  - ◇ **Consistent leadership of three founders**
  - ◇ **Largest stand-alone HIT company**
  - ◇ **World Wide, Scalability**

- ***Committed to Automating Physician Practices***
  - ◇ **Harness Cerner's years of healthcare technology experience and billions in R&D**
  - ◇ ***PowerWorks Delivery Model***

- **7,600+ associates, including 900 clinicians**

- **Investments in the health of Maryland**
  - ◇ ***Cerner Hospital, Life Bridge***

What is PowerWorks?

- **Provide a Top-tier Physician Solution**
  - ◇ *Electronic Medical Record*
  - ◇ Practice Management
- **Reduce Barrier of Entry**
  - ◇ *Application Services Provider (ASP)*
  - ◇ *Deferred Payment Model*
- **Deliver Speed to Value**
  - ◇ *Defined Implementation Methodology*
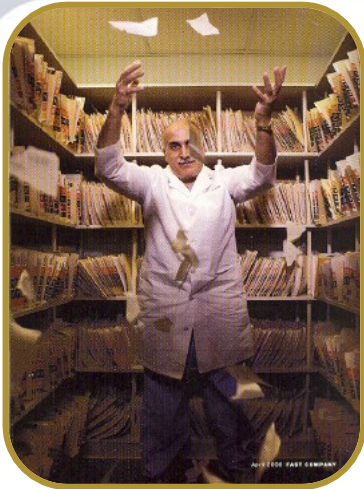 - ◇ *8-12 Week Implementation Timeframe*
- **Interoperability – Cerner Hub**
  - ◇ *Physician Office and Health System*
  - ◇ *Physician office to Physician Office*

85-90% of Physicians in the US have not adopted an EHR

Benefits Consistently Realized

**Dr. George Saleh
Kansas City, Mo.**

**Dr. Jennifer Kay
Council Bluffs, Ia.**

- **"When I walk out of the office each day, I'm done. I don't have to dictate a stack of charts."**
  - *Dictation dropped from $1,200/month to $60/month.*
  - *Accesses his patient charts from his home or at the hospital.*
  - *Obtains reimbursement within a week, where in the past it took 6-8 weeks.*

- **"We aren't searching for paper charts or scanning documents. We saved $41,000 in one year in transcription costs."**
  - *Saved $3,000 a year in chart storage.*
  - *No maintenance and it's mobile.*
  - *Up codes many office visits because of thorough documentation on every patient encounter*

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Incentives for Health IT Adoption

Awaiting your participation ...

- **E-Prescribing**
  - *Up to 2 percent incentive on total allowed Medicare charges*
  - *Average bonus from $2,000 to $3,000 per year*

- **Care Quality Reporting**
  - *Up to a 2 percent Medicare bonus for participation in Physician Quality Reporting Initiative (PQRI)*
  - *The average bonus from $635 to $4,700 per year*

- **American Recovery & Reinvestment Act**

CMS Centers for **Medicare** & **Medicaid** Services

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The American Recovery & Reinvestment Act

$35B	$11.1B	$3.6B	$2.5B	$1B	$500M
Incentive Payments	Research	HIT Direct Funding	Tele-medicine	Prevention & Wellness	Education & Training

- **Signed by President Obama on February 17, 2009**

- **$35 billion investment in Healthcare IT (HIT) over 5 years through Medicare and Medicaid Incentives**

- **Eligible Providers must adopt a qualified EHR and report quality data**

- **Cerner is committed to help physicians obtain incentives through education, continued research and automation**

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Physician Incentive Calculations

MEDICARE

- **75% Medicare bonus payment, not to exceed $44,000 over 5 years**
- **Medicare penalties starting 2015 – 1% per year reduction in fee sch.**

Fiscal	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6		Total	NPV
2011	$18,000	$12,000	$8,000	$4,000	$2,000	$0	=	$44,000	$34,821
2012	$18,000	$12,000	$8,000	$4,000	$2,000	$0	=	$44,000	$31,075
2013	$15,000	$12,000	$8,000	$4,000	$0	$0	=	$39,000	$26,568
2014	$12,000	$8,000	$4,000	$0	$0	$0	=	$24,000	$15,542
2015	$0	$0	$0	$0	$0	$0	=	$0	$0

MEDICAID

- **Medicaid reimburses 85% net allowable costs for 6 years**
- **Does not have to initially be a "meaningful user"**
- **No Medicaid penalties**

Fiscal	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6		Total
2011-16	$21,250	$8,500	$8,500	$8,500	$8,500	$8,500	=	$63,750

Qualifying for ARRA Incentives

- **Be an "eligible" hospital or professional**
  - ◇ *Medicare: MD, DO, DDS, DDM, DPM, OD, DC*
  - ◇ *Physician, Dentist, Certified Nurse Midwife, Nurse Practitioner, Physician Assistant in rural health clinic or Federally-qualified health center*

- **Meaningful use of certified EHR technology**
- **EHR Must Facilitate Information exchange**
- **Report on Clinical Quality Measures**

Known Requirements (Awaiting details)	Cerner Capabilities
Record includes demographic and clinical health information	✓
Clinical decision support	✓
E-Prescribing	✓
Provide automated reports for health care quality standards	✓
Exchange electronic health information	✓

Cerner's Alignment with ARRA Incentives

- **Deferred Payment Options**
  - ◇ **Align EMR Payments to Stimulus Dates**
    - *Defer Monthly EMR fees until January 1, 2012, repayment through end of contract term*

  - ◇ **Up Front Fees – paid monthly until January 1, 2012**
    - *EMR, Practice Management, Business Office Services, Hardware*

- **Sign Up Early**
  - ◇ *Beat the implementation rush*
  - ◇ *Guarantee implementation prior to January 1, 2011*

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Cerner Interoperability Capabilities

Electronic Transmission Of Data through Cerner Hub
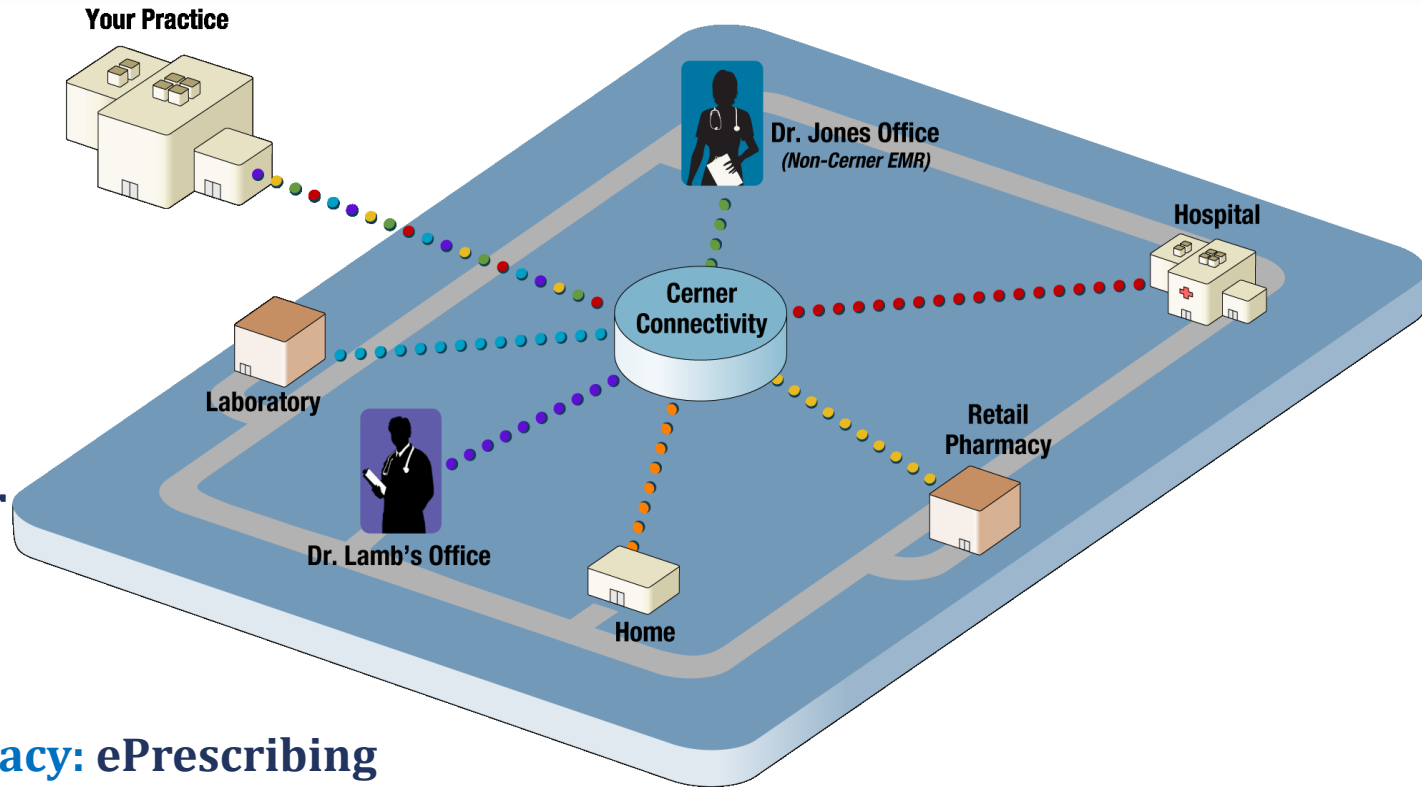
- **Retail Pharmacy: ePrescribing**
- **Laboratory: outbound orders, inbound results**
- **From Hospital: Results, documents, medications, allergies, problems**
- **To Hospital: Documents**
- **Home: Personal Health Record**
- **Physician Offices (Cerner & Non-Cerner): Referral management**

Cerner PowerWorks

- **What is *PowerWorks™***
  - ◇ **Complete ambulatory clinical and practice management solutions**
    - ■ *Electronic Medical Record*
    - ■ *Practice Management*
    - ■ *EDI Services*
    - ■ *General Laboratory*
    - ■ *Consumer Portal*
  - ◇ **All-inclusive package**
    - ■ *Installation*
    - ■ *Training*
    - ■ *24x7x365 support*
    - ■ *All future software upgrades*
  - ◇ **Deployed via ASP model**
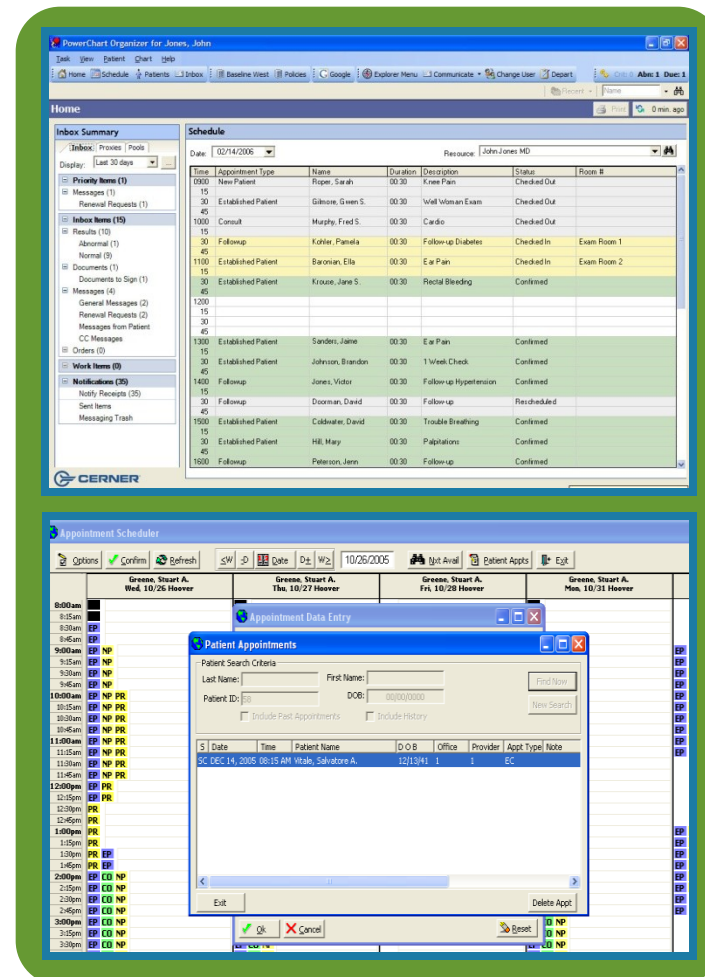
Condition Management --
Available to all Users Today in PowerWorks

PowerWorks EMR Tiers

PowerWorks offers tiers of solution functionality allowing providers to "toe the water" in moving from paper to electronic workflows. This allows a health system to provide a true community strategy as all providers may not be ready for EMR Day 1. Also allows the providers to adopt additional functionality if and when they are ready.

PowerWorks ePrescribe™

- Medication orders
- Medication education
- Multum: drug-drug
- Multum: drug-allergy
- Medication profile
- Allergies
- Inbox, proxies, and pools
- Formulary and eligibility checking (coming soon)
- Free practice management interface for PowerWorks clients

PowerWorks EMR Lite™

PowerWorks eRx capabilities, plus:
- Immunizations
- Health maintenance
- Reporting
- Orders: Non-medications
- Patient and diagnosis Lists
- Decision support
- Family, social, procedure, and medical histories
- Nursing documentation

PowerWorks EMR ®

PowerWorks EMR Lite capabilities, plus:
- Complete and flexible physician documentation

Lab and Radiology interfaces available for all tiers.

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QUESTIONS?

Jerry Reifeiss
816-201-4039
Jerry.Reifeiss@Cerner.com